

#### § 1724.4

*Architect* means a registered or licensed person employed by the borrower to provide architectural services for a project and duly authorized assistants and representatives.

*Engineer* means a registered or licensed person, who may be a staff employee or an outside consultant, to provide engineering services and duly authorized assistants and representatives.

*Force account construction* means construction performed by the borrower's employees.

*GPO* means Government Printing Office.

*NESC* means the National Electrical Safety Code.

*RE Act* means the Rural Electrification Act of 1936 as amended (7 U.S.C. 901 *et seq.*).

*Repowering* means replacement of the steam generator or the prime mover or both at a generating plant.

*RUS* means Rural Utilities Service.

*RUS approval* means written approval by the Administrator or a representative with delegated authority. RUS approval must be in writing, except in emergency situations where RUS approval may be given orally followed by a confirming letter.

*RUS financed* means financed or funded wholly or in part by a loan made or guaranteed by RUS, including concurrent supplemental loans required by § 1710.110 of this chapter, loans to reimburse funds already expended by the borrower, and loans to replace interim financing.

[63 FR 35314, June 29, 1998, as amended at 63 FR 58284, Oct. 30, 1998]

#### § 1724.4 Qualifications.

The borrower shall ensure that:

(a) All selected architects and engineers meet the applicable registration and licensing requirements of the States in which the facilities will be located;

(b) All selected architects and engineers are familiar with RUS standards and requirements; and

(c) All selected architects and engineers have had satisfactory experience with comparable work.

#### 7 CFR Ch. XVII (1–1–08 Edition)

#### § 1724.5 Submission of documents to RUS.

(a) *Where to send documents.* Documents required to be submitted to RUS under this part are to be sent to the office of the borrower's respective RUS Regional Director, the Power Supply Division Director, or such other office of RUS as designated by RUS. (See part 1700 of this chapter.)

(b) *Contracts requiring RUS approval.* The borrower shall submit to RUS three copies of each contract that is subject to RUS approval under subparts B and C of this part. At least one copy of each contract must be an original signed in ink (i.e., no facsimile signature). Each contract submittal must be accompanied by a certified copy of the board resolution awarding the contract.

(c) *Contract amendments requiring RUS approval.* The borrower shall submit to RUS three copies of each contract amendment (at least one copy of which must be an original signed in ink) which is subject to RUS approval. Each contract amendment submittal to RUS must be accompanied by a certified copy of the board resolution approving the amendment.

#### § 1724.6 Insurance requirements.

(a) Borrowers shall ensure that all architects and engineers working under contract with the borrower have insurance coverage as required by part 1788 of this chapter.

(b) Borrowers shall also ensure that all architects and engineers working under contract with the borrower have insurance coverage for Errors and Omissions (Professional Liability Insurance) in an amount at least as large as the amount of the architectural or engineering services contract but not less than \$500,000.

#### § 1724.7 Debarment and suspension.

Borrowers shall comply with the requirements on debarment and suspension in connection with procurement activities as set forth in part 3017 of this title, particularly with respect to lower tier transactions, e.g., procurement contracts for goods or services.